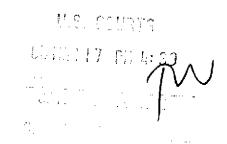
Gary L. Cooper (ISB No. 1814) Ron Kerl (ISB No. 1768) COOPER & LARSEN 151 North 3<sup>rd</sup> Avenue, Suite 210 P.O. Box 4229 Pocatello, Idaho 83205-4229 Telephone (208) 235-1145 Facsimile (208) 235-1182



Counsel for Pocatello Dental Group, P.C.

## UNITED STATES DISTRICT COURT DISTRICT OF IDAHO

POCATELLO DENTAL GROUP, P.C.,	) Case No. CIV 03-450-E-LMB
an Idaho professional corporation,	) Case No. CIV 03-430-E-EMB
Plaintiff,	) )
vs.	AFFIDAVIT OF DR. GREGORY
	) ROMRIELL IN OPPOSITION TO
INTERDENT SERVICE CORPORATION,	) DEFENDANT'S MOTION FOR
a Washington corporation,	) SUMMARY JUDGMENT
Defendant.	) )
	<u>)</u>
INTERDENT SERVICE CORPORATION,	)
a Washington corporation,	)
Counterclaimant,	) \
Counterclaimant,	) \
VS.	, )
POCATELLO DENTAL GROUP, P.C., an	) )
Idaho professional corporation; DWIGHT G.	, )
ROMRIELL, individually; LARRY R.	· )
MISNER, JR., individually; PORTER	)
SUTTON, individually; ERNEST SUTTON,	)
individually; GREGORY ROMRIELL,	)
individually; ERROL ORMOND, individually;	)
and ARNOLD GOODLIFFE, individually,	)
Counterdefendants.	)
Counterdefendants.	,

STATE OF IDAHO ) : ss County of Bannock )

DR. GREGORY ROMRIELL, being duly sworn, deposes and states as follows:

- 1. The matters contained in this affidavit are within my personal knowledge.
- 2. I am the current president of Pocatello Dental Group, P.C., the Plaintiff herein. I was a member of Pocatello Dental Group, PLLC, in October 1996 when GMS Dental Group Management, Inc. purchased the non-professional assets of the Group. Attached hereto as Exhibit A is a true and correct copy of a table showing the amount of cash and stock paid to each member of the Group. I was one of the members who received part of the \$980,000.00 that was paid in stock. The stock diminished in value to \$0.16 per share prior to GMS's successor, InterDent Service Corporation ("ISC") filing for bankruptcy. After ISC filed for bankruptcy, the stock was recalled and never replaced.
- 3. Dr. Eric Johnson is an employee-dentist with the Group. Recently, he announced his resignation to be effective March 15, 2004. Dr. Johnson then requested that the Group extend the effective date to August 2004. As president of the Group, I was agreeable, as were other members of the Group, to extending the deadline. Dr. Johnson is the only orthodontist practicing with the Group. If Dr. Johnson stayed until August 2004, he could continue to treat the Group's orthodontic patients, generating income, promoting continuity of care, and insuring that the group met its legal and ethical obligations to treat its patients. However, without any input from me or the Group, ISC rejected the extension of the deadline and insisted that Dr. Johnson leave on March 15, 2004.

AFFIDAVIT OF DR. GREGORY ROMRIELL IN OPPOSITION TO DEFENDANT'S MOTION FOR SUMMARY JUDGMENT - PAGE 2

- 4. Dr. Larry Bybee is also an employee-dentist who specializes in pediatric dentistry. He also resigned from the Group effective March 15, 2004. Dr. Bybee offered to continue to treat emergency pediatric dental patients at the Group on a part time basis after March 15, 2004. Because of Dr. Bybee's expertise, and the number of emergency pediatric patients who present at the Group, together with the difficulty of treating such patients, as president of the Group, I thought it was a good idea to accept Dr. Bybee's offer. ISC has refused to approve of such an arrangement, putting the Group at risk of not being able to properly treat emergency pediatric patients.
- As of February 29, 2003, the Group has incurred \$42,993.50 in legal fees. The Group has also incurred \$1,020.94 in fees for mediation and \$794.76 in litigation costs and expenses. Notwithstanding its demand to ISC, ISC refuses to pay these attorney and mediation fees, and Group's expenses associated with ISC's bankruptcy proceedings in California and this litigation. Pocatello Dental Group is seeking an order of the Court directing the Defendant Interdent Service Corporation to comply with its contractual obligation to pay the expenses of Pocatello Dental Group, by paying the Group's attorney fees and costs incurred in responding to Interdent Service Corporation's chapter 11 bankruptcy proceeding, in prosecuting Pocatello Dental Group's complaint against Interdent Service Corporation, and in defending the counter claims of Interdent and Dr. Misner on file in this proceeding. Those attorney fees, mediation fees, and litigation costs and expenses, as of February 29, 2004, totaled \$45,709.20.
- 6. As president of the Group, I am familiar with the staffing needs of the various dentists. One of the reasons Dr. Johnson resigned was because ISC refused to hire and train

AFFIDAVIT OF DR. GREGORY ROMRIELL IN OPPOSITION TO DEFENDANT'S MOTION FOR SUMMARY JUDGMENT - PAGE 3

replacement assistants for Dr. Johnson, even though ISC had three months notice that Dr. Johnson's assistants were leaving the practice. This directly impacted Dr. Johnson's ability to care for and treat the number of patients he was capable of treating. He did not have those assistants on October 4, 2003 and did not have them when he was forced out of the practice by ISC on March 15, 2004.

In addition, Drs. Misner and Bybee lacked sufficiently trained staff on October 3, 2003 and continuing until the dates of their recent resignations. ISC was given at least three months notice that three of Dr. Misner and Bybee's staff were leaving the practice. Not only did ISC refuse to hire replacements to be trained before the staff shortage occurred, it simply refused to replace the lost staff members. Because of that, Drs. Misner and Bybec were unable to treat as many patients and their production significantly declined prior to their leaving the practice.

Lastly, I have had to pay for certification classes at Idaho State University for two employees to become dental assistants because ISC refused to pay for this necessary training.

- 7. The physical facility of the Group remains in the state of disrepair and uncleanliness reflected in Larry Wintersteen's report. After making several requests for infrared cavity detector, and being denied by ISC, I was required to purchase that piece of equipment out of my own pocket for \$2,400.00 just two weeks ago.
- 8. Barbara Henderson is currently the on-site manager for ISC. Before becoming the manager, she worked as a bookkeeper for ISC at the Pocatello facility. She had no experience at the Pocatello facility in dental practice management or human resource skills prior to becoming the manager.

AFFIDAVIT OF DR. GREGORY ROMRIELL IN OPPOSITION TO DEFENDANT'S MOTION FOR SUMMARY JUDGMENT - PAGE 4

- 9. Approximately six weeks ago and again two weeks ago, I requested information from ISC, such as the number of new patients, patient flow and production by provider. ISC refused to provide that information and has not provided me as president of the group with any financial statements or accounting records.
- On Friday, March 12, 2004, a JOC [Joint Operating Committee] meeting was scheduled. I am a member of the JOC and asked on several occasions for an agenda for the meeting and no agenda was given to me. When the JOC meeting began ISC announced that the Group was going to have to move from a part of its physical facility to another, to reduce its overall space and available equipment. Before a vote was taken, I and Dr. Ormond stated that we had some questions about the reduction of space, the use to be put to the equipment in the space being vacated, the logistics of it all, and what impact it would have on the operation of the Group. ISC nonetheless, conducted a vote before the discussion was allowed. ISC's chosen members of the JOC voted in favor of the decision to shrink the Group's physical facility, and Dr. Ormond and I voted against it. Then ISC asked us, after the decision was made, to express our concerns. The JOC is supposedly a "joint" operations committee in which decisions are made by the members as a whole. This decision, like many others before it, were unilaterally made by ISC without Group's input and then forced upon Group without any meaningful discussion.

DATED this \\ \frac{171}{day} \day of March, 2004.

DR. CREGORY ROMRIELL

SUBSCRIBED AND SWORN to before me this 17 day of March, 2004.

NOTARY PUBLIC FOR IDAHO
Residing at: Pocatelle

My commission expires 1/6/08

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this \_\_\_\_\_\_ day of March, 2004, I served a true and correct copy of the above and foregoing document to the following persons:

Erik F. Stidham	[ ] U.S. Mail, Postage Prepaid
G. Rey Reinhardt	[ ] Hand Delivery
STOEL RIVES LLP	[ ] Overnight Mail
101 S. Capitol Blvd., Suite 1900	[ ] Facsimile (208) 389-9040
Boise, Idaho 83702-5958	( ,,
Scott J. Kaplan	[ ] U.S. Mail, Postage Prepaid
STOEL RIVES LLP	[ ] Hand Delivery
900 SW Fifth Avenue, Suite 2600	[ ] Overnight Mail
Portland, OR 97204-1268	[ ] Facsimile (503) 220-2480
Lowell N. Hawkes	[ ] U.S. Mail, Postage Prepaid
1322 East Center	[ ] Hand Delivery
Pocatello, Idaho 83201	Overnight Mail
	[ ] Facsimile (208) 235-4200
Richard A. Hearn	[ ] U.S. Mail, Postage Prepaid
RACINE, OLSON, NYE, BUDGE	Hand Delivery
& BAILEY, CHARTERED	Overnight Mail
P.O. Box 1391	Facsimile (208) 232-6109
Pocatello, Idaho 83204	. 1
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Ron Kerl

## EXHIBIT A

	Percentage	with the property of the prope	The state of the s	The second secon
David P. Sutton	14.285	\$ 216,000	\$ 184,000	\$ 400,000
Dwight G. Romriell	14.285	400,000	0	400,000
Gregory E. Romriell	14.285	32,000	368,000	400,000
Errol K. Ormond	14.285	216,000	184,000	400,000
Arnold J. Goodliffe	14.285 (7.142 Economic	140,000	<b>60</b> ,000	200,000
	Interest)			
Goodliffe CRT(1)	(7.142 Economic Interest)	200,000	. 0	200,000
Ernest P. Sutton	14.285	216,000	184,000	400,000
L. R. Misner, Jr.	14.285	400,000	0	400,000
Total	100.000%	\$1,820,000	\$ 980,000	\$2,800,000

<sup>(1)</sup> Pursuant to Letter of Instruction from Dr. Goodliffe.